



Melbourne Football Club Ltd

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August 30, 1996

Dear Member

For your information I have included a copy of my recent Press Release dated August 30, ***Let's Call a Spade a Spade.***

I resent innuendos that the Board does not have the best interests of the Club at heart. Recent months have been an emotional time for all of us and to even suggest that I do not have the Melbourne Football Club's future as my priority is distasteful!

There has been comment regarding what some people believe is a hasty decision which lacked thorough research and appraisal.

To emphasise the research that has been undertaken on this issue, I have included an independent report which will appear shortly in the highly regarded Chartered Accountants Newsletter, *Viewpoint*, which backgrounds the Board's thorough scrutiny, investigation, and evaluation.

I hope each and everyone of you will trust my Boards' judgement and support our commitment to the Melbourne Hawks.

Yours sincerely,

I J Ridley
PRESIDENT



"LET'S CALL A SPADE A SPADE"
Ian Ridley - Melbourne Football Club President

Members voting in the days ahead for the Melbourne - Hawthorn merger would be laying the foundations for a dynamic and competitive new AFL Club, MFC President, Ian Ridley, said tonight.

Mr Ridley said that having been associated with MFC as a player and administrator for 42 years, it was "with some emotion" that he spoke on the eve of what would most likely be the final match of the MFC, in its current identity.

"But we must prepare for the future," Mr Ridley said.

"Since the members were asked to consider merging with Hawthorn, the MFC membership of 13,500 has increased by a meagre 800 in three weeks.

"That is definitely not the sort of momentum that is going to carry the club into the 21st Century.

"It simply confirms that the Board of Directors is heading in the right direction by seeking a merged entity that will embrace the existing memberships of Hawthorn and Melbourne in an exciting new-age football club," he said.

Mr Ridley said one of the saddest aspects of the situation was that he found himself opposing his former team mate, Brian Dixon, on the issue of a merger.

"What a player Brian was! But we have always called a spade a spade at Melbourne, and I don't believe Brian's track record is up to speed given the on and off the field demands of today's football club.

"Members need to understand this. A vote against a merger is in fact a vote for Brian Dixon to run the MFC - with volunteers in the office, volunteer coaching and volunteers everywhere else. Is this for real? Is this the way to confront those emerging interstate juggernauts like West Coast Eagles, like Sydney, like Brisbane?"

Mr Ridley said he had no doubt that existing members shared his desire to see the Melbourne Football Club endure its current stand-alone status, but the realities were that this would not happen.

"It might be postponed," he said, "but eventually there would be a merger."

"We say let's bite the bullet - let's get out there with all guns blazing and charge ahead into 1997 with some real excitement."

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Further details on the merger and the exciting birth of the Melbourne Hawks can be obtained on the Melbourne Hawks Hotline.

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MELBOURNE FOOTBALL CLUB

A PROFESSIONAL APPROACH TO PLANNING

Following on from our AFL article in the last *Viewpoint* we continue the AFL theme by taking a look at the very topical area - The process the Melbourne Football Club used to develop their Strategic Plan.

One of our members, Warwick Cavell of Mindshop, facilitated the process of development of the Melbourne Football Club's Strategic Plan. The process started prior to the start of the football season in February, 1996. The Melbourne Football Club identified that, with the ever increasing pressures on sporting clubs generally and Victorian based AFL Clubs in particular, a far more professional and long term approach needed to be adopted if clubs were going to survive into the future. Traditionally a club's horizon was little more than the current football season. Warwick was approached to facilitate the Mindshop process at the MFC. Unfortunately, due to commitments elsewhere, it was not possible to actually run the two day Planning Workshop (a core element in the process) until May. The time between February and May was used by the Club to gather some initial data with which to go to the workshop in May.

Unfortunately by May another issue had developed - the Club had a very significant list of injuries and the on-field performance was less than satisfactory. Therefore, by the time the workshop was actually held there were two very critical issues - the long term survival of the Club and the immediate issue of poor on-field performance. This meant there was considerable tension and uncertainty in the air. Those attending the workshop were the full MFC Board plus the key management staff at the Club. This included the coach, Neil Balme, playing staff, marketing and management personnel. In all there were approximately 16 attendees at the workshop. There is no doubt that, at the time, the pressures on the club created by both the short-term and long-term issues were having a significant impact.

There was, and still remains, considerable pressure on the Victorian AFL Clubs (stemming from both the size of the market and the AFL itself), to rationalise. There were a lot of issues in the melting pot at the time, not the least of which was the merger issue. ***The clear preference of all those attending the workshop was for a strong and independent Melbourne Football Club.*** The real underlying concern from a management perspective was a lack of a process that could really assist the club in dealing with all its issues. "How do we deal with the merger issue? If we go ahead with the merger we lose part of our identity, however, if we don't go ahead we may put our long-term survival in jeopardy and may miss the opportunities to merge with a suitable club down the track. Either decision has significant ramifications for the club. How do we manage this decision making? What is the process?"

The process was really to utilise the Mindshop process and focus the Club on the outcomes it was really looking for. The Club developed a Vision, a Mission Statement and a Sustainable Competitive Advantage. Utilising these tools they were then able to prioritise their current issues into four key areas - getting the best on-field performance (being competitive every year), having a twelve month training facility with administration and playing staff together, increasing non-football income and increasing membership. Having determined these issues the Board and staff were broken into project teams to deal with each of those issues. They were provided with some training in the processes of problem solving and then they developed their project briefs. Part of the project brief, in all instances, was to address the issues initially without the aid of a merger. How could the Club achieve strong on-field performance, a twelve month training facility, increase non-football income and increase membership and still remain as an independent Melbourne Football Club? The project teams were then asked to look at the merger situation. Four clubs were suggested as possible merger alternatives. The project teams were to look at the performance of the club in the four strategic areas based on the possible clubs suggested as merger partners. The project teams then reported back to the full Board and key management personnel on their findings.

The energy and professionalism put into this process by the Melbourne Football Club Board and its key staff was exceptional. A significant amount of data was gathered and analysed by the project teams and in the process it gave the club impetus to work as a highly integrated team and have confidence in the decisions that it was making. The essential feature of the process was that the Board developed its own decisions by utilising the process. It involved the Board and senior management to a maximum degree and therefore gave them the maximum degree of ownership and involvement in the decision-making process. "My role as facilitator was really to project manage the process and to assist where blockages were occurring", said Warwick. "This assistance occurred by providing other processes and not by giving answers. It was essential that the Board and project teams found their own answers at every stage of the process. After all, they are the experts in their business."